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December 23, 1988

William Drescher
Wyman, Bautzer, Kuchel & Silbert
2049 Century Park East
14th Floor
Los Angeles, California 90067

Re: Church of Scientology, et. al. v. Bent Corydon, et al.

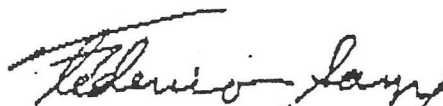
Dear Bill:

This will memorialize our conversation of December 23, 1988. Please be advised that my client is willing to settle the case of the Church of Scientology, et al., vs. Bent Corydon, et al., for \$3,000,000.00. This settlement will include our refraining from exercising our right to obtain the "Armstrong documents", or if we have obtained these documents prior to your client responding to this demand, we will agree to return the documents to your client and refrain from showing them to anyone else.

This demand will remain open until close of business December 30, 1988. At that point, if not accepted, this demand will be revoked and will not again be reinstituted at this level.

Very truly yours,

SAYRE, MORENO, PURCELL & BOUCHER


FEDERICO C. SAYRE

FCS: MV
8-C Drescher.Sci